

Europe, the Mediterranean, and the Middle East



F-14B aboard
USS Enterprise
in Suez Canal.

U.S. Navy (Jason D. Malcom)

By SIMON SERFATY

The influence that Europe exercises on the Middle East will depend more on the evolution of the European Union (EU) than on the policies of individual states. How EU institutions are reformed and enlarged, pursue economic and monetary union, and develop a common security and defense policy over the next several years will impact Europe's relations with new members in the east and neighbors to

the south. Overall, decisions in these areas will complete the reorganization of European political space, with significant consequences for the Mediterranean region.

A New Europe

The 50th anniversary of the Rome Treaties will be celebrated in 2007, marking an event that launched a modest Common Market, the first phase in forming an ever-closer union which the six original members pledged to establish. Before the European Union can be enlarged to incorporate additional states in the east, it must reform its institutions through

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one or more intergovernmental conferences, the first in 2000 and another in 2003 or 2004. When the European Community was smaller and more homogeneous, equality among its members prevailed. Now with 15 members involved in a range of increasingly significant issues, larger states want to exert more control over the agenda. Looming ahead in 2000 are delicate matters such as the composition and authority of the European Commission, the role and transparency of its parliament, and the voting procedures of its council. Once these and other issues are decided, they will become applicable to new members. Only then, in 2005–2007, can enlargement begin.

The economic and monetary union established with the euro in January 1999 must proceed. That the euro will be the sole legal tender for all 15 EU states after 2004 is almost a given. As goes the euro, so goes Europe. A strong, integrated union presupposes a stable and increasingly global currency. The consequences of such a currency are unclear. It changed the American perception in 1998, giving European integration a seriousness that had often been lacking. Over time the euro may emerge as an alternative currency for determining the price of vital commodities and high-tech exports. In addition, countries especially dependent on relations with EU members might

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switch to the euro, creating a monetary zone that extends beyond the union and even Europe. In short, the euro may widen European influence—often, though not always, at the expense of the United States.

Another item on the European agenda is the development of a common foreign and defense policy to accompany the rise of the euro from 2002 onward. It would emerge within the context of a reformed and enlarged European Union after 2004. Since the Kosovo conflict, initiatives taken on behalf of a common policy have relied on



French President Chirac and British Prime Minister Blair.

AP/Wide World Photos (Adam Butler)

an unusual level of consensus in the European Union, but they have avoided a breach in the NATO consensus revealed during hostilities. This condition has to do with the lead played by Britain, which has traditionally been ambivalent toward European construction generally and its foreign and security agenda in particular. In May 1997, a change in the parliamentary majority in Britain appeared to re-

acknowledge that its longstanding military project for Europe could be implemented only within NATO.

The Mediterranean

The Europe foreseen after 2007 will demand closer relations between the United States and the European Union. As the union acquires military capabilities, its contribution to NATO will be seen as both a relief and added defense burden to America. To achieve such capabilities, however, European nations must spend more on defense, which is unlikely in 2000–2004. Absent additional outlays they must at least stop cutting their levels of spending, especially Germany, and use limited resources more efficiently. Finally, as the EU presence in NATO grows, membership in both organizations must converge. Otherwise, ambiguities in NATO versus Western European Union commitments will expand, including backdoor arrangements that the United States might be reluctant to honor.

Even as new European security dimensions unfold, NATO will likely remain the security institution of choice on both sides of the Atlantic. Its explicit endorsement will remain necessary whether its members act as either

sult in a shift in policy. With entry into the euro zone too controversial to consider, defense was the only issue that Prime Minister Tony Blair could use in his bid for EU leadership. The Anglo-French summit at St. Malo in December 1998 was the opening gambit in this campaign. It was pursued until last year when London endorsed a Franco-German request for Eurocorps to assume command of a peacekeeping force of 48,000 personnel in Kosovo in April 2000. That Britain would permanently assign forces to a military formation that it had previously dismissed confirms a commitment to a strong European defense. In reaction to the British role, France in turn seemed to

an alliance or an ad hoc coalition of the willing. Europe will not attain military parity with the United States in the near term, but it can achieve a sufficient capability to both relieve some of the burden on America and gain authority in the Alliance. Even a strong European Union must realize that it can still depend on a stronger NATO with its U.S. capabilities. In Europe proper, states are unlikely to intervene militarily without U.S. contributions. Similarly, America may well be a peerless power, but even a power without peers needs allies. Public support for interventions that cannot rely on allied contributions will not be sustainable for long.

The Persian Gulf War, Albanian operation, and Kosovo conflict are unreliable models for the future. The conditions in Iraq cannot be duplicated, the reproducible conditions in the Balkans are undesirable, and the conditions deemed valuable in Albania are neither credible nor repeatable. Instead, future conflicts are more likely to depend on ad hoc coalitions endorsed by NATO political authorities, using committed military assets,

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and employing some elements of the allied military structure. But coalitions of the willing must be coalitions of the capable, meaning that specific contributions made by nations with significant force projection capacity and related assets (including base access) will determine their degree of participation in the operation and thus in detailed enforcement. While Europe may become more willing and able to engage militarily even absent American participation, the Armed Forces will still be expected to provide the guarantee of last resort.

Finally, the EU agenda over the next few years risks neglecting Mediterranean countries, notwithstanding a commitment to growth and stability in the region. Specifically, the European Monetary Union will impact the size and composition of trade between the



Javier Solana, first
EU head of foreign
and security policy.

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two areas. Trade flows will be invoiced in euros, not only between the union and nations in the Mediterranean but among nations in the region themselves, which will convert part of their dollar reserves into euros. And, with their external debt mainly denominated in dollars, these countries will be crucially dependent on the volatility of the euro relative to the dollar, and hence on the stability brought by the European Central Bank.

Similarly, even as enlargement diverts resources from the South toward the East, it may also impede new or reinforced arrangements with Mediterranean countries. The European Union now stands as the dividing line between economic affluence and stagnation or even decline. Across the Mediterranean, where European states used to rule, the union represents an imperial wall that must be brought down to make way for new opportunities.

Europe and the Middle East

Since the end of the Cold War, U.S. and European influence in the Middle East has ceased to be a zero-sum game. As American influence

grows, the European role need not decrease or vice versa. The most significant accomplishments within the region since the Gulf War have followed the lead of the United States. Yet they were repeatedly made possible by European assistance that helped start, enforce, or pursue initiatives, beginning with the Oslo agreements. European nations now act in the context of their institution of choice even when pursuing traditional interests: France through the European Union (but not against the United States), Britain on behalf of NATO (but no longer without the European Union), Italy with and in both institutions, and either some or all other countries with the legitimacy of the United Nations whenever possible or desirable.

EU consolidation and developments within the region during the most of 1990s combined to reduce the obsession with energy supplies, access to markets, and Arab terrorism facilitated by an overflow of Arab immigrants. To be sure, the region remained vital to the European Union, its southern members in particular. As a result crises frequently caused panic. And because U.S. and European relations with the Middle East differ, each American setback prompted warnings of an impending transatlantic divorce—especially over the use of force. Yet these fears have not been realized, least of all with regard to Islamic fundamentalism and the risk for Europe of a hyperactive U.S. role in the Middle East. Up through 1999, the drop in oil prices, absence of terror, apparent failure of radical Islam, and new barriers to immigration devalued economic and political relations across the Mediterranean.

It is doubtful this lull will last. The terms of transatlantic or intra-European discord and the reality of American and European asymmetrical interests remain unchanged. If anything, the EU agenda for 2000–2007 makes the continent more vulnerable to Mediterranean conditions. In turn, the latter suggests a sharp European concern over the effectiveness of U.S. leadership.

Thus European nations will require a benign economic environment over the coming years. The ability of Europe to reform, widen, and

**British Royal Marines
landing in Egypt.**



AP/Wide World Photos

deepen its institutions will rely on economic growth at levels of 3 percent and above. Under such conditions, stable oil prices become more significant in the 2000s than in the 1970s, when two oil crises nearly derailed the European Community.

A threefold increase in oil prices during 1999, together with a 14 percent decline of the euro relative to the dollar, caused limited damage. Late in the year, however, interest rates responded to inflationary pressures that threatened lower growth beyond 2000. That impact would be especially significant if it were felt before the euro becomes the sole legal tender. After that, Europe may be less sensitive to oil prices, especially if in time the prices became denominated in euros in lieu of, or as well as in, dollars. But it would remain vulnerable to oil supplies, especially as the demand of other countries, particularly in Asia, is expected to increase sharply. In short, European interest in Middle East oil is likely to rise, bringing renewed frictions among the allies under conditions that will find Europe more united and autonomous than in the Cold War.

A second variable is the European need for political stability to enforce its agenda. In most EU nations, a situation that could erode national sovereignty and identity is causing restlessness. For many the main threat comes from immigrants who create their own societies wherever they go. Although tens of millions may be needed by 2015 to compensate for Europe's dwindling and aging population, new obstacles are being raised, especially from Islamic countries. Moreover, Muslims in Europe who have become citizens are viewed with ambivalence or hostility. Feared as a source of social disorder and political divisions, Muslim citizens in Europe could change domestic policies as well as the foreign relations of their adopted countries.

As EU boundaries move toward Malta and Cyprus, a larger and more youthful Middle East is seen as a dagger pointed at the heart of a smaller and older Europe. A cultural self-definition of the European Union and its members is influencing the debate over Turkey's prospects for accession. If Turkey received a role commensurate with its size and potential, the European Union would be transformed into a power in the Middle East; and if Europe opened its doors to Muslim immigrants it could

emerge as a Middle Eastern power. But neither outcome is likely as long as millions are being stopped by legal and physical barriers. Turkey's bid for membership will be lost in the maze of institutional reforms and a multitude of applicants from Eastern Europe.

Tension in building a multicultural community within the European Union confirms the difficulty of developing a cross-boundary community between EU and non-EU states south of the Mediterranean. Proposals for such a community inflame perilous myths that worsen Europe's concerns over its neighbors to the south and arouse self-defeating expectations among the southern states. Strictly speaking, a community requires a will to share resources, a surrender of force as a solvent of differences within it, and a common identity. None of these features exist nor are they likely to emerge. A Mediterranean region that remains politically invisible can only afford a security structure—with Europe and the United States—that also remains invisible. Thus a broad Mediterranean community is more realistic than a more limited and low profile framework based on financial support and institutional linkages.

Searching for illegal weapons in Stublina, Kosovo.



982/ Signal Company (Brendan Stephens)

In 1999–2000 developments on the southern rim of this invisible Mediterranean community were encouraging: a trend toward liberalization, including less stifling bureaucracies, improving legal systems, elements of political stability, growing macroeconomic security, and a vast demand for capital goods and technology. More specifically, leaving aside the civil war in Algeria and the Arab-Israeli conflict (with no reliable prospect for a final settlement in sight), there is evidence that a new political generation might promote a more open brand of Islam, democratic and secular. Unexpectedly, the sons of both the late King Hussein bin Talal Al-Hashimi of Jordan and the late King Hassan II of Morocco acted swiftly and boldly. As other generational changes are awaited over the next few years, Europe and the United States should not miss opportunities in Jordan and Morocco to demonstrate their capacity to assist governments that help themselves. Each successful transformation adds to the prospect

that new regimes elsewhere might follow a similar path. Yet transitions from one leader and one generation to another will need benign conditions to provide stability. Bad news—like the spillover of an economic crisis in the West—could trigger a turn for the

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worse in countries from which we expect the best, including Egypt, Saudi Arabia, and Turkey.

Euro-American Implications

EU states have varying concerns and aspirations about the Middle East. These differences create different priorities and vulnerabilities that impede the adoption of common policies. Instead, special bilateral relationships

abound between France and Algeria, Britain and Saudi Arabia, Italy and Libya, and Spain and Morocco.

Overall the differences among European countries have diminished, and initiatives based on specific national interests now embody an integrated regional policy. Thus by the late 1990s, EU members with historic interests in the Middle East—including Britain, France, and Italy—sought more active roles as go-betweens on behalf of their European partners as well as the United States and Israel. British intervention facilitated bilateral talks between Syria and Israel in Washington in late 1999. French support for this initiative complemented that of Britain and did not distract from the leading role assumed by the United States. Italian Prime Minister Romano Prodi welcomed the return of Iran to Europe during his visit to Tehran (following a trip to Washington), setting the stage for subsequent visits to Rome, Paris, and London by President Ali Mohammad Khatemi-Ardakani. Simultaneously, both Britain and France helped devise a formula at the United Nations that might control Iraqi armament while relaxing sanctions against that country. What made these initiatives both useful and distinctive is that they did not cause the degree of transatlantic or intra-European discord that would once have been expected.

The United States and members of the European Union have common designs and policies. The former needs support from a unified Europe while the latter need the leadership of an engaged America. For example, Europe is a major donor to the Palestinian Authority, and even though that aid often goes to nonproductive public sector jobs, it gives the West a good name that benefits both sides of the Atlantic. Would the Palestinians have tolerated the slow pace of the Arab-Israeli peace process without such financial support, and is a peace agreement between Syria and Israel likely without EU pledges to both nations? Such complementarity will hopefully be reinforced in coming years. Any change would have ramifications for both sides of the Atlantic and for the region.



region, and thus determine reconciliation and peace among its states, are best managed by the United States, with occasional help from EU states and even NATO. This is not an artificial division of labor: both sets of issues are separable but they cannot be separated, and accordingly neither can policies that address these matters. Neglect of soft security issues would exacerbate those of hard security, while neglect of hard security issues would stall those of development and reconstruction.

With scant opportunity for an exclusively unilateral American or European leadership role in the Middle East, there is little alternative to pooling capabilities and coordinating initiatives that are of mutual interest, although they may not be of identical interest. This is not much of a conclusion; yet it remains critical for Europe and America to reach an accommodation. The 50th anniversary of the Common Market in 2007 will provide an opportunity to renew the vows of the transatlantic union, made in 1949 and repeated with three new members fifty years later.

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Within the transatlantic context, U.S. interests in Europe are too important to be left to Europeans alone. This is arguably the most enduring legacy of the two world wars and Cold War that shaped the 20th century. America is not a European power, but it is a power in Europe whose presence can't be ignored. Whether in 2007 or 2014, this emerging Euro-Atlantic community must gain a more tangible institutional dimension—possibly a U.S.–EU treaty, however it is drafted and signed. But even as America comes to grips with the reality of its return to the Old World, Europe must confront its continued dependence on a significant U.S. role. Reliance on America remains indispensable, for better or worse.

Transatlantic Engagement

The Middle East is as important (energy supplies) as it is reckless (terrorism), dangerous (four major conflicts), unstable (*fin de régimes*), expensive (for keeping the peace or waging war), and intrusive (because of the domestic dimensions of policy decisions for the area).

There is no room for exclusive *laissez faire* with such a region. Admittedly, completion of the European

Union over time—its reformed institutions, enlargement to the east, economic and monetary union, and common foreign and security policy with capabilities and institutions of its own—may impact U.S. leadership south of the Mediterranean. Yet for years to come American interests in the Mediterranean will remain too significant to be left to Europeans, whose policies are likely to show continued capability gaps and institutional insufficiencies. On the other side of the Atlantic, Europeans may also fear that U.S. goals, such as comprehensive peace, dual containment of Iran and Iraq, and Turkey's EU membership, are so excessive as to produce policies that are more illusory than real. In any case, European interests are also too vital to depend exclusively on U.S. policies. On both sides, the apprehension is over partners who fail to do what they say even as they fail to say what they do.

The soft security issues that impact on the stability of individual nations and determine prospects for reconstruction and development across the region are best handled by the European Union and its members, with occasional help from the United States or NATO. Conversely, hard security issues that impact the stability of the whole

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